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INFO RUEKJCS/SECDEF WASHDC

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RUCNRAO/IRAQ COLLECTIVE

RUZCDAB/MNC-I BAGHDAD IQ

RUZCDAA/MNF-I BAGHDAD IQ

RUEPGAB/MNF-I C2X BAGHDAD IZ

RHMFIASS/WARRIOR BRAVO CC BALAD IQ

RHMFIASS/HQ AFOSI ANDREWS AFB MD

RUWICBE/I MEF CAMP PENDLETON CA

RHMFIAU/CDR101STABN DIV AASLT FORT CAMPBELL KY

RHMFIASS/ASAS 4THINFDIV FORT HOOD TX

RUEPUAC/MITT 4THINFDIV FORT HOOD TX

RHMFIASS/506AEG CP KIRKUK IQ

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SUBJECT: IRAQ PRTS ASSESS PROVINCIAL GOVERNMENTS - MAR 2006

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¶11. (U) INTRODUCTION. The Provincial Reconstruction Teams (PRTs) in Iraq report monthly the ability of the provincial level government to function effectively and the obstacles that prevent full self-governance. The PRTs assess provincial governments in the areas of governance, economic development and infrastructure, and the Multi-National Corps assesses security (which is included in the overall assessment). Governance includes the governor, provincial council (PC), director generals (DGs), and rule of law and transparency. The economic development category measures finance, banking and business; labor and unemployment; transportation; and agriculture and food. Infrastructure incorporates basic needs; capacity of electricity, fuel, telecom, transportation, and irrigation systems; and education systems. The sub-categories are broken down even further to ensure full consideration of the various functions that fall into the respective categories.

¶12. (U) PRT members evaluate each area and assign a color to identify its current status. Considering each sub-category status, the three main pillars are assigned a color-coded status and these roll up into the overall evaluation for the respective PC. Green indicates good progress with no identified problems, yellow means progress being made with only minor problems, orange indicates slow progress with significant problems, and red means very slow progress with major problems. The following paragraphs summarize the March 2006 assessments for the PRTs in Ninawa, Kirkuk, Babil, and Baghdad Provinces. END INTRODUCTION.

NINAWA PROVINCE

¶13. (SBU) OVERALL AND GOVERNANCE. All three main pillars remained coded orange for the Ninawa provincial government March report, resulting in an overall assessment of orange. The Governor has engaged in an aggressive outreach program with various mayors and regional security meetings. Attending meetings with constituents outside Mosul is a slow but necessary step in progress towards democracy. The Governor announced his intent to not run for future office and indicated a willingness to step down and allow the

Provincial Council (PC) and other political leaders lead the province. The Ninawa PRT staff does not believe he actually will do so but that it is an expression of his frustration. Some provincial leaders push a Kurdish agenda; others, such as the PC Chairman, prevent initiative and blame Baghdad for lack of results. Now that some funds have begun to flow from Baghdad, the provincial government will challenge the PC to assess its budgeting capabilities. To progress in future ratings, the Governor must directly engage political leaders in Baghdad, as well as build consensus among the PC and the district/sub-district political leaders. The PC must adopt and follow basic meeting organizational rules and parliamentary procedures to ensure fairness and accountability.

¶4. (U) INFRASTRUCTURE. Infrastructure was rated overall orange with basic needs coded orange, capacity of the various systems such as electricity, fuel, telecom, etc., again lagged at red; and the education system was yellow. Projects currently in progress and planned for water, sewer, electricity, and health infrastructure will improve service delivery. Unfunded projects for two solid waste landfills and fuel storage are necessary to address the worst shortfalls. The transportation network, especially more roads, will remain a significant constraint to expand economic actions without dedicated national construction programs.

¶5. (U) The province needs to hire more teachers to alleviate the current shortage. The rural areas are particularly affected. In healthcare, a demand based supply system would greatly increase the overall quality for Ninawa citizens.

¶6. (SBU) ECONOMIC DEVELOPMENT. The overall assessment for economic development was rated orange. The economy is in

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poor shape. Lack of security, little legal protection for business and property, absence of clarity in business, and mistrust of the government all make it unlikely that a vibrant free market can emerge any time soon. Unemployment is high, although a widely established "gray market" prevents extreme conditions. Job creation must remain a top priority. The transportation factor changed from orange to red. The quality of road construction is generally poor and lacking maintenance. No significant increase in road capacity has occurred since the war with one exception, widening of the road between Mosul to Dahuk to two lanes.

TAMIM (KIRKUK) PROVINCE

¶7. (U) OVERALL AND GOVERNANCE. Kirkuk was again rated overall orange for March, as well as the three main pillars. The governance area was rated orange. The Kirkuk provincial government functions on an acceptable level, although ethnic divisions continue to hinder progress. The Deputy Governor position remains unfilled. PC elections, when held later this year, may be the catalyst to unfreeze the current deadlock and fill that position. The PC maintained a yellow rating this month. The recent decentralized funding from Baghdad has empowered the PC. In the past, many council members lacked a good understanding of their budgetary responsibilities, due largely to lack of training and accountability. These funds from Baghdad, coupled with training provided by the PRT, have helped the PC members gain that knowledge and experience, as well as provide redevelopment projects to benefit its citizens.

¶8. (U) INFRASTRUCTURE. Infrastructure was rated overall orange with basic needs coded orange, capacity of the various systems such as electricity, fuel, telecom, etc.,

coded yellow, the education system was yellow, and civil service was rated red. There is no trash removal in any of the municipalities and no landfill or waste collection facilities. The top priority project for the entire province is construction of a landfill. A survey of housing showed that 92% of the population has adequate housing, due to a recent high volume of housing construction in Kirkuk. Although some Internally Displaced Persons (IDPs) sites have tents, they appear to be temporary.

¶19. (U) The monthly average for electricity in homes rose to 10-14 hours per day. The percentage of homes connected to an electrical grid is approximately 85%. The layout of roads are generally considered good, however, the surfaces are deteriorating. The PC approved several road projects, including a plan to construct a bypass around Kirkuk City.

¶10. (U) ECONOMIC DEVELOPMENT. Factors affecting the economic development rating were overall orange. Finance, banking, and business moved from red to orange. The agriculture and food category increased from orange to yellow. The PC should develop an integrated economic and agricultural program based on an accurate assessment of the current conditions. The province needs a significant recruiting effort that includes land, security, and tax incentives to attract business to the area. Kirkuk Province has real economic development potential but needs great outside investment to realize it.

BABEL PROVINCE

¶11. (SBU) OVERALL AND GOVERNANCE. Babil Province was assessed overall at orange for March. Governance was yellow, while infrastructure and economic development were coded orange. On March 31, the Babil PC indicated that it would not communicate with the PRT in protest of Coalition operations in Baghdad. Although the relationship is strained, both sides made attempts to reach out and address

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issues. The PC Chairman is facing lots of political pressure to disengage working with Coalition Forces (CF).

¶12. (U) The PC needs to improve communication among themselves and other government officials. Members look for immediate project results and do not recognize the fact that some projects are long term and require more time to develop. The PRT plans to remind the PC of projects completed and produce fact sheets of current project status every 90 days. The PRT believes this will build confidence that the system works and provide training to the PC, as well as keep capacity building moving forward.

¶13. (U) INFRASTRUCTURE. The overall infrastructure assessment for Babil Province was rated orange. Basic needs continue to be minimally met. The healthcare situation is not in crisis; however, a large scale disaster would overwhelm the largest hospitals due to lack of emergency equipment and supplies. The current solid waste management system is not effective. Trash is strewn across many fields and present serious health condition risks for the local citizens. The PC is working on a plan to improve solid waste management for the entire province.

¶14. (U) ECONOMIC DEVELOPMENT. The economic development category was rated overall orange. Transportation was not rated in February and the agriculture/food category slipped from yellow to orange. Although unemployment exists, local citizens express a better life now than two years ago. They are able to purchase better products, including air conditioners, satellite dishes, cellular phones and better quality rice. Unfortunately, more than half the Iraqi women in the province (relatively the same proportionally

to national numbers) are illiterate. Poor training and education opportunities for women result in their high unemployment. Economic reform is moving, even if slowly, in Babil Province. The anticipated allocation of \$55.6M from the Ministry of Planning and \$103.7M from the Ministry of Finance is expected to give the reform an added boost.

BAGHDAD PROVINCE

¶15. (SBU) OVERALL AND GOVERNANCE. The initial assessment for Baghdad Province was overall orange for March. Governance was rated yellow, infrastructure was red and economic development was coded orange. Lack of open communication between the PC, the Governorate, and City Hall is blocking the advancement of governance, economic growth, and their ability to provide essential services within the province. The provincial government ceased formal, regular communications with the U.S. military, the PRT, and the Embassy following a joint U.S.-Iraqi operation in a Baghdad City neighborhood. The PC Chairman and Governor were able to successfully persuade most PC members to endorse this action. Many district council members told PRT staff that they oppose the action but have been directed to toe the line or face censure.

¶16. (U) The central government holds nearly exclusive jurisdiction over security issues. This severely limits the effectiveness and legitimacy of the Baghdad provincial government in security matters. The provincial leaders need and want to work more closely with security policymakers and implementers at the national level. In other areas, relationships between the PC, Governor, City Hall, and other political leaders need clarification via a charter that goes beyond the descriptions of Coalition Provisional Authority (CPA) Order 71. Financial accountability also needs improvement.

¶17. (U) INFRASTRUCTURE. Baghdad Province infrastructure was rated red. Basic needs were coded orange, capacity of the various systems such as electricity, fuel, telecom, etc., were assessed as red. Civil service was also rated red and education received a yellow. Generalized insecurity remains the determining obstacle to infrastructure progress. Access to electric power remains

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a major concern of the populace. While potable water and sewer services within the city have improved, the PC needs to redirect some effort to the outlying areas. Additional funds are necessary for Baghdad Province to fundamentally improve the volume and delivery of essential services required by the population.

¶18. (U) ECONOMIC DEVELOPMENT. The overall assessment for economic development was coded orange. Finance/banking, labor/unemployment, and agriculture/food were each rated orange. Transportation was coded red. The economy is functioning substantially below full employment which is too dependent upon government activity or that of the CF. Vestiges of the former socialist economy and the effects from the war economy distort real input and output market prices. The absence of statistical data renders the economic development assessment task a difficult one. In sectors where the free market operates (e.g., consumer goods, home construction, and cash crops), economic growth is occurring.

TABLE SUMMARIZATION

¶19. (U) The following table summarizes, by province, the assessment report in governance, economic development, infrastructure, and security which all contribute to the

overall assessment. Colors listed in capital letters indicate a change from the previous month.

NINAWA PROVINCE:

Overall Assessment	Orange
Governance Overall	Orange
--Governor's Office	Orange
--Provincial Council	Orange
--Director's General	Orange
--Rule of Law and Transparency	Orange
Economic Development Overall	Orange
--Finance/Banking/Business	Orange
--Labor and Unemployment	Orange
--Transportation	RED
--Agriculture/Food	Orange
Infrastructure Overall	Orange
--Basic Needs	Orange
--Economic Infrastructure	Red
--Education	Yellow
--Civil Service	Data Not Available
Security	Not Reported

TAMIM (KIRKUK) PROVINCE:

Overall Assessment	Orange
Governance Overall	Orange
--Governor's Office	Orange
--Provincial Council	Yellow
--Director's General	Orange
--Rule of Law and Transparency	Orange
Economic Development Overall	Orange
--Finance/Banking/Business	ORANGE
--Labor and Unemployment	Orange
--Transportation	Orange
--Agriculture/Food	YELLOW
Infrastructure Overall	Orange
--Basic Needs	Orange
--Economic Infrastructure	Yellow
--Civil Service	Red
--Education	Yellow
Security Overall	Orange
--Capable Iraqi Army	Orange
--Capable IPS	Orange
--Detention	Red
--PJCC	Green
--PSC	Green

BABIL PROVINCE:

Overall Assessment	Orange
Governance Overall	Yellow
--Governor's Office	Yellow
--Provincial Council	Yellow

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--Director's General	Orange
--Rule of Law and Transparency	Yellow
Economic Development Overall	Orange
--Finance/Banking/Business	Orange
--Labor and Unemployment	Orange
--Transportation	RED
--Agriculture/Food	ORANGE
Infrastructure Overall	Orange
--Basic Needs	Orange
--Economic Infrastructure	Orange
--Education	Orange
--Civil Service	Orange
Security Overall	Orange
--Capable Iraqi Army	Orange
--Capable IPS	ORANGE
--Detention	Orange
--PJCC	Red
--PSC	ORANGE

BAGHDAD PROVINCE:

Overall Assessment	Orange
Governance Overall	Yellow
--Governor's Office	Yellow

--Provincial Council	Yellow
--Director's General	Orange
--Rule of Law and Transparency	Orange
Economic Development Overall	Orange
--Finance/Banking/Business	Orange
--Labor and Unemployment	Orange
--Transportation	Orange
--Agriculture/Food	Orange
Infrastructure Overall	Red
--Basic Needs	Orange
--Economic Infrastructure	Red
--Education	Yellow
--Civil Service	Red
Security Overall	Yellow
--Capable Iraqi Army	Yellow
--Capable IPS	Yellow
--Detention	Yellow
--PJCC	Yellow
--PSC	Orange

¶20. (U) SUMMARY. The assessment is performed each month by the PRTs and evaluates information existing at the time. In some cases, the PRT members do not have sufficient data to make a fair evaluation without further research. The rating is aimed at identifying areas that need improvement to pursue the provincial path to self-sufficiency. It serves as a roadmap for future PRT training efforts, as well as a measurement of progress made. The items cited in the above paragraphs are not totally inclusive, but rather a sampling of the actions necessary for further progress.
END SUMMARY.

KHALILZAD